

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

MAUI JIM, INC.,)	
an Illinois Corporation,)	
)	Case No. 16-cv-09788
Plaintiff,)	
)	Hon. Marvin E. Aspen
v.)	
)	
SMARTBUY GURU ENTERPRISES, a)	
Cayman Island Company, MOTION)	
GLOBAL LTD., a Hong Kong Company,)	
SMARTBUYGLASSES SOCIETÀ A)	
RESPONSABILITÀ LIMITATA, an Italian)	
Company, SMARTBUYGLASSES)	
OPTICAL LIMITED, a Hong Kong)	
Company,)	
)	
Defendants.)	

**MAUI JIM’S LOCAL RULE 56.1 STATEMENT OF MATERIAL FACTS IN SUPPORT
OF ITS MOTION FOR SUMMARY JUDGMENT ON ITS LANHAM ACT AND
RELATED STATE LAW CLAIMS**

Pursuant to Local Rule 56.1(a)(3), Plaintiff Maui Jim, Inc. (“Maui Jim”) submits this Statement of Material Facts in support of its Motion for Summary Judgment on its Lanham Act and Related State Law Claims against Defendants Motion Global Ltd., SmartBuyGlasses Società a Responsabilità Limitata, and SmartBuyGlasses Optical Limited (collectively, “Defendants” or “SBG”).

UNDISPUTED MATERIAL FACTS

1. Maui Jim is a leading designer, manufacturer, and provider of premium prescription and non-prescription sunglasses, which are marketed, offered, and sold globally, including in the United States and Italy. (Exh. 3, Black Dec., ¶1.)

2. Since at least as early as the 1980s, Maui Jim has continuously used the marks shown in the left-hand column of the chart below (together, the “MAUI JIM Marks”) in selling sunglasses in U.S. commerce, to distinguish its sunglasses from those offered by others. (Exh. 3, Black Dec, ¶2.)

3. Maui Jim’s Copyright Registration No. 3443858 originally covered sunglasses and clothing. Maui Jim deleted clothing from the Registration on October 30, 2013, as reflected in Maui Jim’s filings with the U.S. Patent & Trademark Office. *See* <https://tsdr.uspto.gov/documentviewer?caseId=sn77151982&docId=S8920180612164322#docIndex=3&page=1>.

4. Maui Jim’s Copyright Registration No. 1465234 originally covered sunglasses and clothing. Maui Jim deleted clothing from the Registration on May 16, 2018, as reflected in Maui Jim’s filings with the U.S. Patent & Trademark Office. *See* <https://tsdr.uspto.gov/documentviewer?caseId=sn73622271&docId=S8920071115142818#docIndex=5&page=1>.

5. Maui Jim has registered its MAUI JIM Marks with the U.S. Patent & Trademark Office for sunglasses and, in some cases other goods, as shown in the second, third, and fourth columns of the chart above. (Exh. 3, Black Dec., ¶3.)

6. Maui Jim offers over 125 different styles of sunglasses under one or more of its MAUI JIM Marks. (Exh. 3, Black Dec., ¶4.)

7. In addition, every pair of lenses in MAUI JIM sunglasses incorporates Maui Jim’s patented, color-infused lens technology that wipes out glare and UV rays, and boosts color via specially designed lens treatments. (Exh. 3, Black Dec., ¶5.)

8. Maui Jim has used its POLARIZEDPLUS mark since at least as early as April 1989, and its POLARIZEDPLUS2 mark since at least as early as January 2004. (Exh. 3, Black Dec., ¶6.)

9. Maui Jim also offers other features, lens materials, colors, applications, and treatments unique to MAUI JIM sunglasses to further enhance the distinctiveness and value of its MAUI JIM Marks and the Sunglasses sold under its Marks. (Exh. 3, Black Dec., ¶7.)

10. Since 2009, Maui Jim has invested nearly [REDACTED] in advertising, promoting, and marketing its MAUI JIM sunglasses and in establishing its MAUI JIM Marks and the POLARIZEDPLUS2 mark in the minds of consumers as a source of high quality premium products offered by Maui Jim. (Exh. 3, Black Dec., ¶8.)

11. Maui Jim prominently uses its MAUI JIM Marks and the POLARIZEDPLUS2 mark in advertising, marketing, and promotional materials, including but not limited to TV commercials, print advertisements, brochures, social media, and other digital advertising, marketing, and promotional campaigns. (Exh. 3, Black Dec., ¶9.) Additionally, Maui Jim's TV commercials have aired on major networks (for example, NBC, CBS, ABC, HGTV, Discover Channel, Food Network, and ESPN) during popular morning shows (for example, Today Show and Good Morning America) and prime-time dramas (for example, Blacklist, 60 Minutes, Hawaii Five-O, Americas Got Talent, The Voice, Madam Secretary, and Chicago PD). (*Id.*) Maui Jim's print advertising strategy has included premium placements in major magazines such as Sports Illustrated, People Magazine, Golf Magazine, Shape, Fast Company, among others. (*Id.*)

12. Maui Jim also promotes the MAUI JIM Marks and the POLARIZEDPLUS2 mark through and with high-profile sponsorships and partners; for example, Maui Jim is currently the Official Vision Partner of Manchester United, the Title sponsor of Maui Jim Maui Invitational

men's college basketball tournament, and the Official Eyewear Sponsor of the ATP Men's Tennis Tour. (Exh. 3, Black Dec., ¶10.)

13. For the past eight consecutive years, Maui Jim has been consistently recognized by optical retailers and eye care professionals as the Sunglass Company of the Year in Vision Monday and 20/20 Magazine's Annual EyeVote Readers' Choice Award. (Exh. 3, Black Dec., ¶11.)

14. All MAUI JIM sunglasses have earned the Skin Cancer Foundation's Seal of Recommendation as an effective UV filter for the eyes and surrounding skin. (Exh. 3, Black Dec., ¶12.)

15. MAUI JIM sunglasses have become immensely popular with consumers due to (among other things) Maui Jim's high quality standards, superior lens technology, excellent customer service, and reputable retail partnerships. (Exh. 3, Black Dec., ¶ 13.)

16. Maui Jim considers its MAUI JIM Marks and the POLARIZEDPLUS2 mark to be among the company's most valuable and important assets as indicators of source of the company's high quality MAUI JIM sunglasses and related services. (Exh. 3, Black Dec., ¶ 14.)

17. Maui Jim and its wholly-owned distributors sell MAUI JIM sunglasses through an authorized retailer program, which permits select retail establishments to sell MAUI JIM sunglasses to individuals who are interested in wearing premium eyewear. (Exh. 4, Lippens Dec., ¶3.)

18. Maui Jim promotes its select authorized retailers through its websites. If a retailer is not listed on Maui Jim's websites, it is not a Maui Jim authorized retailer. (Exh. 4, Lippens Dec., ¶4.)

19. The link at www.mauijim.com/US/en_US/store-finder/position takes Internet visitors to a list of Maui Jim's U.S. authorized retailers, and the link at

https://www.mauijim.com/US/en_US/retailer takes visitors to a list of Maui Jim's online authorized retailers. (Exh. 4, Lippens Dec., ¶5.)

20. Maui Jim's authorized U.S. retailers purchase MAUI JIM sunglasses only from Maui Jim and/or its wholly-owned subsidiary Maui Jim USA, Inc. (Exh. 4, Lippens Dec., ¶5.)

21. Each of those authorized retailers enters into a written agreement with Maui Jim and/or Maui Jim USA, Inc. that governs the business relationship, outlines Maui Jim's terms and conditions, and make reference to its U.S. General Policies. (Exh. 4, Lippens Dec., ¶¶7, 13.)

22. Maui Jim requires that all Maui Jim sunglasses be sold with authentic Maui Jim lenses, frames and parts and not modified in any manner. (Exh. 4, Lippens Dec., ¶9.)

23. Only Maui Jim's authorized retailers can sell MAUI JIM sunglasses with Maui Jim prescription lenses. (Exh. 4, Lippens Dec., ¶8.)

24. Maui Jim requires that authorized retailers display online only those sunglasses that are in its inventory. (Exh. 4, Lippens Dec., ¶10.)

25. Maui Jim further ensures high quality customer service from its retailers by requiring that each authorized retailer have the necessary technology to service online customers and meet certain service requirements, including but not limited to, the ability to ship product within 48 hours of receiving an order. (Exh. 4, Lippens Dec., ¶11.)

26. In addition, authorized retailers are required to direct all consumer repairs to Maui Jim for low-cost, high quality repairs that are completed by Maui Jim's trained repair technicians and shipped back to its customers in a timely manner. (Exh. 4, Lippens Dec., ¶12.)

27. Maui Jim provides extensive warranty protection for each pair of MAUI JIM sunglasses sold directly by Maui Jim or its authorized retailers. (Exh. 4, Lippens Dec., ¶14.)

28. Maui Jim does not extend its warranty to sunglasses sold through unauthorized retailers. (Exh. 4, Lippens Dec., ¶15.)

29. Maui Jim voids its warranty for MAUI JIM sunglasses that have been modified to include parts that Maui Jim did not manufacture. (Exh. 4, Lippens Dec., ¶16.)

30. Maui Jim's warranty and repair policies are an integral part of its customer service offering that consumers have come to expect and enjoy from the MAUI JIM brand and experience. (Exh. 4, Lippens Dec., ¶17.)

31. SBG is not now, and has never been, an authorized retailers of MAUI JIM sunglasses. (Exh. 4, Lippens Dec., ¶18.)

32. Maui Jim has never sold a single pair of MAUI JIM sunglasses to SBG. (Exh. 4, Lippens Dec., ¶19.)

33. Only Maui Jim's authorized retailers can sell MAUI JIM sunglasses with Maui Jim prescription lenses. (Exh. 4, Lippens Dec., ¶8.)

34. SBG sold MAUI JIM-branded sunglasses after removing the original lenses and mounting into the frames prescription lenses that did not come from Maui Jim and that were manufactured using a process over which Maui Jim had no control. (Exh. 5, Answer to RFA 29 and 30.)

35. SBG uses the MAUI JIM Marks and Logos. (Exh. 21.)

36. SBG represents to customers that it is one of Maui Jim's authorized retailers. (Exh. 22.)

37. [REDACTED]

[REDACTED]

38. [REDACTED]

[REDACTED]

[REDACTED]

39. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

40. SBG represents that it has an Operations Centre in the U.S. (Exh. 24, MJ16527)

41. SBG admits that it does not have any physical location or physical office in New York. (Exh. 6, Answer to RFA 100 and 101.)

42. SBG claims: “We have several logistic facilities around the world located in Hong Kong, Germany, Italy, Australia, and the USA. Depending on where the product is sourced from and where the customer is located, we’ll ship from one of these locations.” (Exh. 7, SBG0652904.)

43. In December 2017, SBG submitted to the FDA a Maui Jim Drop Ball Test Certification. (Exh. 8, FedEx1206.)

44. SBG admits that it included the 2009 Maui Jim Drop Ball Certification to clear the way for shipments to U.S.-based consumers. (Exh. 9, RFA 37.)

45. SBG never asked Maui Jim for authorization to use the Drop Ball Certification. (Exh. 10, Kalinko Dep., 10/30/2018, at p. 117:18-22.)

46. [REDACTED] is one of Maui Jim's biggest competitors. (Exh. 4, Lippens Dec., ¶28.)

47. SBG admits that [REDACTED] does not manufacture MAUI JIM-branded sunglasses. (Exh. 10, Kalinko Dep., 10/30/2018, at p. 64:18-20.)

48. SBG ships every pair of MAUI JIM-branded sunglasses that SBG sells into the U.S. from Hong Kong. (Exh. 11, RFA No. 14-17, 21.)

49. SBG creates the Commercial Invoices for the products that it ships. (Exh. 10, Kalinko Dep., at p. 22:4-6.)

50. SBG generated and included a Commercial Invoice with a sale of MAUI JIM-branded sunglasses into the U.S. (Exh. 25, FedEx571.)

51. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

52. [REDACTED]
[REDACTED]

53. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

[REDACTED]

54. [REDACTED]

[REDACTED]

55. [REDACTED]

[REDACTED]

[REDACTED]

56. [REDACTED]

[REDACTED]

[REDACTED]

57. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

58. The parties have received inquiries from consumers and potential consumers reflecting actual confusion from SBG’s statements and actions. (Exh. 26.)

59. The FDA issued an “Import Alert” in August 2018 identifying a “Red List” of companies “who are not registered or have inadequate registration and have imported or offered

for import drugs or medical devices when they were not registered and their products listed.” (Exh. 27.)

60. The FDA issued 18 Notices of FDA Action relating to SBG shipments of MAUI JIM-branded sunglasses. (Exh. 28.)

61. The parties have received inquiries from consumers and potential consumers complaining about SBG’s delay in delivering MAUI JIM-branded sunglasses to the U.S. reflecting actual confusion from SBG’s statements and actions. (Exh. 29.)

62. The parties have received inquiries from consumers and potential consumers about the parties’ respective warranty coverages. (Exh. 30.)

63. SBG offers a warranty for its MAUI JIM-branded sunglasses that differs from Maui Jim’ warranty. (Exh. 17, RFA 104.)

64. SBG admits that it is not authorized retailer. (Exh. 18, Rossetto Dep., 01/17/2019, at pp. 40:19-41:4); (Exh. 19, Resp. to RFA 7); Exh. 31, Kalinko Dep., 01/21/19, at pp. 269:11-270:17.)

65. The parties have received comments from customers and potential customers reflecting confusion from SBG’s literally false and/or misleading statements. (Exh. 32.)

66. SBG’s webpage touts the supposed authenticity of eyewear that it sells from “some of the world’s leading eyewear manufacturers.” (Exh. 33, MJ18633.)

67. SBG’s webpage touts its “relationships with some of the world’s leading suppliers.” (Exh. 34, MJ18498.)

68. SBG represents in a diagram that it sells eyewear direct to the consumer from the manufacturer, rather than through a “traditional supply chain.” (Exh. 35, MJ447.)

69. The following statement appears, and has appeared, on SBG’s website: “Can I trust the authenticity of the products? All of our products have a 100% Authenticity Guarantee, no exceptions. SmartBuyGlasses takes great lengths to ensure the high quality and product authenticity that our customers have come to expect, *and all products are accompanied with official tags and manufacturer warranties.* (Exh. 36, MJ15569, MJ3374, MJ18992.)

70. Maui Jim commissioned a survey to test whether SBG’s website misleads consumers into believing that SBG is an authorized retailer of MAUI JIM sunglasses. The results of the survey show that 40.1% of the survey respondents took away the impression that SBG is an authorized retailer of MAUI JIM sunglasses. (Exh. 20, Sowers Report, at 17.)

THE PARTIES

71. Maui Jim is an Illinois corporation with its principal place of business in Peoria, IL. (ECF 1.)

72. There are four defendants in this case: SmartBuy Guru Enterprises, an entity organized and existing under the laws of the Cayman Islands entity with a principal place of business in the Cayman Islands; Motion Global Limited, an entity organized and existing under the laws of Hong Kong with its principal place of business and registered office in Western Hong Kong; FRAL – SmartBuyGlasses SRL, an entity organized and existing under the laws of Italy, with its principal place of business in Italy; and SmartBuyGlasses Optical Limited, an entity organized and existing under the laws of Hong Kong with its principal place of business and registered office in Western Hong Kong. (Dkt. No. 131, Am. Countercl. ¶¶ 9-12.)

JURISDICTION AND VENUE

73. This Court has subject matter jurisdiction over Plaintiff’s claims under 15 U.S.C. § 1121 and under 28 U.S.C. §§ 1331 and 1338(a).

74. This Court has personal jurisdiction over the Defendants because Defendants directly target their business activities toward consumers in the United States, including Illinois, through (among other things) their fully interactive SmartBuy Website, through which Illinois residents can and do purchase counterfeit and infringing products bearing Plaintiff's MAUI JIM trademarks. Defendants have targeted sales from Illinois residents by shipping to Illinois and accepting payment in U.S. dollars, and Defendants have sold counterfeit sunglasses bearing Maui Jim's trademarks to residents of Illinois.

75. Venue is proper in this District pursuant to 28 U.S.C. §§ 1391(b)(1)-(2) and (c)(3) because the claims alleged in the Complaint arose, at least in part, in this District, and because this Court has personal jurisdiction over Defendants.

Respectfully submitted,

/s/ John Gabrielides

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